

Program A: Louisiana Gaming Control Board

Program Authorization: R.S. 27:15; Act 817 of 1993

PROGRAM DESCRIPTION

The mission of the Louisiana Gaming Control Board is to regulate all gaming activity under its jurisdiction in a manner that instills public confidence and trust that gaming activities are conducted honestly and are free from criminal and corruptive elements and to ensure the integrity of individual gaming activities by the regulation of persons, practices, associations, and activities within the gaming activity.

The goals of the Louisiana Gaming Control Board are:

1. Strictly regulate all gaming activities under the jurisdiction of the Louisiana Gaming Control Board by ensuring the initial and continuing suitability of all licenses and permittee and eliminating all criminal and corrupt influences on the gaming industry.
2. Ensure, compatible with regulation, that gaming as authorized by the legislature is of economic benefit to the State of Louisiana.
3. Deter to the extent possible underage and compulsive gaming in the State of Louisiana in the gaming industries regulated by the Louisiana gaming Control Board.

The Louisiana Gaming Control Board is responsible for regulating all gaming activities under its jurisdiction by licensing and permitting suitable applicants; conducting monthly board meetings at which decisions and orders are rendered; conducting administrative hearing in accordance with the Louisiana Gaming Control Law and collecting fees to defray costs of these proceedings; collecting fines as a result of violations for deposit in the state general fund; and promulgation of the rules and regulations.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2001-2002. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

1. (KEY) To decrease the number of licenses and permits held by known disqualified and unsuitable persons, identified by State Police and/or Attorney General investigators, in order to eliminate criminal and known corrupt influences on the gaming industry.

Strategic Link: This operational objective relates to Strategic Objective I.1: *To decrease by 100% the number of licenses and permits held by known disqualified and unsuitable persons identified by the State Police and/or the Attorney General gaming investigators in order to eliminate criminal and known corrupt influences on the gaming industry.*

Louisiana: Vision 2020 Link: Not applicable

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: In order to accomplish this operational objective, the Louisiana Gaming Control Board will afford applicants, licensees, and permittees administrative remedies as required by law and require compliance by the gaming industry with all statutory requirements for gaming by issuing licenses and permits for riverboat, video poker and landbased gaming.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD	ACTUAL YEAREND PERFORMANCE	ACT 11 PERFORMANCE STANDARD	EXISTING PERFORMANCE STANDARD	AT CONTINUATION BUDGET LEVEL	AT RECOMMENDED BUDGET LEVEL
		FY 1999-2000	FY 1999-2000	FY 2000-2001	FY 2000-2001	FY 2001-2002	FY 2001-2002
K	Number of administrative hearings requested ¹	751	695	750	750	750	750
K	Number of administrative hearings held	401	440	325	325	465	465
	Hearing Officer Decisions, by Category: ²						
K	Number of hearing officer decisions - Riverboat	124	120	120	120	150	150
K	Number of hearing officer decisions - Video Poker	127	111	105	105	110	110
K	Number of hearing officer decisions - Casino	31	4	40	40	30	30
	Louisiana Gaming Control Board (LGCB) Decisions, by Category:						
K	Number of LGCB decisions - Riverboat	133	107	50	50	60	60
K	Number of LGCB decisions - Video Poker	87	54	47	47	50	50
K	Number of LGCB decisions - Casino	33	1	13	13	20	20

	Administrative Actions (Denials, Revocations, and Suspensions)- As a Result of Failure to Request an Administrative Hearing, by Category:						
K	Number of administrative actions - Riverboat	37	52	60	60	60	60
K	Number of administrative actions - Video Poker	109	37	80	80	45	45
K	Number of administrative actions - Casino	9	9	20	20	20	20
	Licenses and Permits Issued, by Category:						
K	Number of licenses and permits issued - Riverboat	350	623	165 ³	165 ³	165 ⁴	165
K	Number of licenses and permits issued - Video Poker	800	630	485 ³	485 ³	400	400
K	Number of licenses and permits issued - Casino	30	99	40	40	40	40

¹ All requests for hearings are scheduled. Discrepancies between the number of administrative hearings requested and the number held occur when hearings are continued, fine violations are paid prior to the hearing, and settlements occur.

² Hearing officers no longer make recommendations to the Louisiana Gaming Control Board. They render decisions that are appealable to the board.

³ Two factors have occurred that will decrease the number of licenses and permits: 1) the change in definition of key employee (employed by the licensee) and 2) the statutory provision that allows for two-year licensing periods.

⁴ Continuation is based on changes in definition of key employee, changes in statutory provisions for two-year licensing periods, and adjusted for 14th riverboat online as of the Second Quarter FY 2000-2001.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1999 - 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$155,324	\$0	\$0	(\$155,324)
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	2,098,723	1,246,174	1,246,174	1,312,301	1,207,819	(38,355)
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<u><u>\$2,098,723</u></u>	<u><u>\$1,246,174</u></u>	<u><u>\$1,401,498</u></u>	<u><u>\$1,312,301</u></u>	<u><u>\$1,207,819</u></u>	<u><u>(\$193,679)</u></u>
EXPENDITURES & REQUEST:						
Salaries	\$160,622	\$202,827	\$202,827	\$228,319	\$180,799	(\$22,028)
Other Compensation	222,073	249,947	249,947	249,947	249,947	0
Related Benefits	70,895	52,546	52,546	57,328	47,790	(4,756)
Total Operating Expenses	291,116	442,324	442,324	475,419	433,903	(8,421)
Professional Services	133,680	295,380	450,704	301,288	295,380	(155,324)
Total Other Charges	1,220,337	0	0	0	0	0
Total Acq. & Major Repairs	0	3,150	3,150	0	0	(3,150)
TOTAL EXPENDITURES AND REQUEST	<u><u>\$2,098,723</u></u>	<u><u>\$1,246,174</u></u>	<u><u>\$1,401,498</u></u>	<u><u>\$1,312,301</u></u>	<u><u>\$1,207,819</u></u>	<u><u>(\$193,679)</u></u>
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	2	2	2	2	1	(1)
Unclassified	3	3	3	3	3	0
TOTAL	<u><u>5</u></u>	<u><u>5</u></u>	<u><u>5</u></u>	<u><u>5</u></u>	<u><u>4</u></u>	<u><u>(1)</u></u>

SOURCE OF FUNDING

This program is funded with State General Fund and a Statutory Dedication derived from the Riverboat Gaming Enforcement Fund and the Casino Proceeds Fund. (Per R.S. 39:32B.(8), see table below for a listing of expenditures out of each statutory dedicated fund.)

	ACTUAL 1999- 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
Riverboat Gaming Enforcement Fund	\$908,386	\$1,246,174	\$1,246,174	\$1,312,301	\$1,207,819	(\$38,355)
Casino Gaming Proceeds fund	\$1,190,337	\$0	\$0	\$0	\$0	\$0

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$1,246,174	5	ACT 11 FISCAL YEAR 2000-2001
			BA-7 TRANSACTIONS:
\$155,324	\$155,324	0	Reimbursement of legal expenses for Ecotry Fuller
\$155,324	\$1,401,498	5	EXISTING OPERATING BUDGET – December 15, 2000
\$0	\$29,176	0	Annualization of FY 2000-2001 Classified State Employees Merit Increase
\$0	\$8,700	0	Classified State Employees Merit Increases for FY 2001 -2002
\$0	(\$8,421)	0	Risk Management Adjustment
\$0	(\$3,150)	0	Non-Recurring Acquisitions & Major Repairs
\$0	(\$7,602)	0	Salary Base Adjustment
(\$155,324)	(\$155,324)	0	Removal of reimbursement of legal fees for Ecotry Fuller
\$0	(\$57,058)	(1)	Transfer funding and T.O. for vacant position to State Police
\$0	\$1,207,819	4	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$1,207,819	4	BASE EXECUTIVE BUDGET FISCAL YEAR 2001-2002
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$1,207,819	4	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 86.2% of the existing operating budget. It represents 93.0% of the total request (\$1,298,459) for this program. Significant adjustments include removal of reimbursement of legal fees for Ecotry Fuller the transfer of a vacant position and its related funding to the Office of State Police, and reduced risk management premiums.

PROFESSIONAL SERVICES

\$148,580	Hearing officer for administrative hearings
\$136,800	Court reporters
\$10,000	Witness fees
\$295,380	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

This program does not have funding for Other Charges for Fiscal Year 2001-2002

ACQUISITIONS AND MAJOR REPAIRS

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2001-2002